

PARAS.

AYRS.

Mr. Scaddan
Mr. J. M. Smith
Mr. Teesdale

NOES.

Mr. Walker
Mr. Hegnev
Mr. Wiltbers

Question thus passed.

Bill read a second time.

BILL—STATE MANUFACTURES DESCRIPTION.

Returned from the Council with amendments.

House adjourned at 11.12 p.m.

Legislative Council,

Thursday, 16th July, 1931.

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The DEPUTY PRESIDENT took the Chair at 4.30 p.m., and read prayers.

BILL—DEBT CONVERSION AGREE- MENT.

Second Reading.

Debate resumed from the previous day.

HON. J. M. DREW (Central) [4.35]: I do not intend to oppose the second reading of the Bill, although I am not satisfied with it. The object of the measure is to assist in restoring the financial stability of the Commonwealth and States. That object is highly important and most desirable, but in my opinion the Bill seeks to achieve it in a roundabout manner. The interest burden on Commonwealth and States alike is a pressing one, so pressing that default is threatened unless the burden is lightened. It seems to me that a more direct means of achieving the object is called for in the circumstances. Under the Bill holders of ex-

isting securities are to be invited to convert their holdings into new stock carrying rates of interest lower than those operating at the present time. The Treasurer may know the disposition of many of the bondholders, and not only their disposition but also their capacity to fall into line with the Bill: but I am much afraid of the possibility of the response to the measure being neither generous nor self-sacrificing. A special tax on the interest of bondholders at its source would be the most assured method of achieving the object desired. There would then be no doubt as to the result. Under the Bill there will be much doubt. The Treasurer, if he had the powers suggested, would be able to deduct the amount of the interest that the Government propose to take, as the interest falls due. Some people might argue that a special tax on interest would give no relief to industry. That would be so, certainly, if it were an all-round tax; but if the special tax were reserved for interest on past Government loans, and if legislation were simultaneously passed to reduce interest on mortgages and advances as proposed in a measure which we hope to see here in a few days, that would certainly give relief to industry. It may be said that the suggestion would savour of repudiation. It could no more be held to savour of repudiation, except in its application to tax-free loans, which are only a small proportion of the whole, than the imposition of a stiff land tax on freehold land acquired from the Government and paid for in full. Yet no one disputes the right of any Government to tax land, except some hon. members of this Chamber who hold that land utilised for the purposes of production should not carry such an impost. This is a time of national peril, when sacrifices must be made where they can be borne without detriment to the physical needs of the individual; and there is no reason, so far as I can see, why interest should not bear its share of the sacrifice. The high rates of interest operating in Australia for many years—for nearly a quarter of a century, from what I know and have read—have been a heavy burden on industry, and have made the task of Governments endeavouring to balance their budgets almost desperate.

Hon. Sir Edward Wittenoom: Why did you give too much interest through the savings bank while you were a Minister?

Hon. J. M. DREW: We were forced to do that. I am coming to that matter. Interest now represents an intolerable burden on industry. It also affects business men, who have overdrafts at their banks; and it means, in the end, that the consumer has to bear the burden. Farmers, pastoralists, and others engaged in various forms of development are harassed in their operations: in fact, ground down by the operation of the burden of interest. The result is that enterprise is handicapped and that the avenues of employment are not so numerous as they would be under happier conditions. In justice to the banks, to which Sir Edward Wittenoom referred indirectly—

Hon. Sir Edward Wittenoom: Which bank?

Hon. J. M. DREW: The private banks. In justice to all the banks, which includes the hon. member's bank, I must say that they were in no way responsible for the last substantial increase in interest.

Hon. Sir Edward Wittenoom: You had better blame the Government for supporting it.

Hon. J. M. DREW: That increase was inflicted about three years ago, and the Commonwealth Government were solely responsible for it. Without notifying the State Governments, they increased the rate of interest on deposits in the Commonwealth Savings Bank; and the State Governments had to follow suit. The increase meant a tremendous blow to our State Savings Bank, and naturally the private banks had to adopt a similar course and increase their rate of interest on deposits.

Hon. Sir Edward Wittenoom: They began it.

Hon. J. M. DREW: Otherwise the whole of the available money would have gone to the Commonwealth Savings Bank. Having been forced to increase the rates payable to depositors, the banks were forced also to increase the rates of interest on overdrafts and advances generally.

Hon. Sir Edward Wittenoom: How could a bank go on like the State Savings Bank, giving 4 per cent. on current accounts? No private bank could possibly do it.

Hon. J. M. DREW: Private banks had also an opportunity of increasing their rates, and they did increase them. I do not know who was responsible for this brain-wave that reached the Commonwealth Government, but it has had a most harmful

effect on industry. The proposal to reduce interest rates is, in my opinion, a step in the right direction; but the method contemplated by the Bill is, from my viewpoint, a step in the wrong direction. A special tax on bondholders' interest, followed by legislation regulating the imposition of interest generally, is all that is needed. A check and a curb on private money-holders perhaps would also be essential to the success of the scheme.

Hon. Sir Edward Wittenoom: I take it you include the holders of inscribed stock?

Hon. J. M. DREW: Otherwise Governments would find difficulty in converting internal loans at a much lower rate of interest than that offered by their competitors. In other words, a special tax on existing bondholders without regulating the rates of interest for outside money would mean dear money for the Governments of Australia. No useful purpose can be served, so far as I can see, by asking bondholders to convert as proposed in the Bill. It might be said that it would be difficult in future to raise loans if a special tax were imposed; but there is a veiled threat of a special tax behind this Bill, a special tax for those who do not volunteer to convert. It is generally understood that drastic monetary penalties will be imposed on those who do not respond to the appeal for conversion. To me it seems rank hypocrisy to talk about a voluntary conversion. Probably less harm would result to the credit of the States and the Commonwealth if taxation were imposed instead. In fact, I know from what I have been told that taxation would be infinitely preferred by all the small bondholders. During the last 10 years I have advised numerous aged people to put their savings into either Commonwealth or State loans. And they have followed my advice. In some instances they were very old people and I am certain that, under this scheme, unless it is generously administered, they will never live to see their money again. Clause 6 of the Schedule professes to deal with this aspect. It reads as follows:—

Existing securities, £450,000,000, now bearing interest at $5\frac{1}{4}$ per cent. and over, to be converted into 4 per cent. at a premium. As a general rule each holding to be spread equally over the ten maturity dates, but special arrangements to be made to consolidate small holdings on conversion.

That clause appears to me to have no binding effect whatever. It is a form of drafts-

manship unique in my experience of legislation. Just note the words "As a general rule each holding to be spread equally over the ten maturity tates." That enables the Loan Council, which is composed of needy Governments, to do exactly what they please in this respect.

Hon. Sir Edward Wittenoom: All Government can do that now.

Hon. J. M. DREW: Again, "Special arrangements to be made to consolidate small holdings on conversion." That is most indefinite as to what the special arrangements will be, and there is nothing to indicate what will be regarded as small holdings. We are left in the dark. We ought to know: the figures should appear in the Bill. Clause 16 of the Schedule gives the Loan Council absolute power to do what they please in all matters affecting conversion except, from my reading, where there is in the Bill something which specifically prevents them. Clause 16 of the Schedule reads as follows:—

The terms herein set out to be regarded as recommendations by the Conference to the Loan Council, which it is understood is at liberty to modify any details of the plan and to settle all details not included above.

My interpretation may be due to the way the Bill is thrown together. The clause I have quoted may have reference to the two preceding clauses, but it does not say so. It may, and probably does, apply to the whole of the Bill. If so, the Loan Council have supreme power to do exactly as they like in respect of these loans. In fact, we are told in the same clause that the terms set out are only to be regarded as recommendations by the Conference to the Loan Council. This could never have been intended. It ought to be made clear. The legal gentlemen sitting around a table in Melbourne must have been very much confused indeed when they started to draft this Bill. I draw attention to Clause 4 of the Schedule, which is only a small matter, but it indicates much. It reads as follows:—

The new securities to be Commonwealth securities and to be in the form of bearer bonds, debentures, or inscribed stock, etc.

Never before have I seen the word "etcetera" appearing in Bill. Why not explain what it means?

Hon. J. Nicholson: It is certainly a very indefinite expression to use.

Hon. J. M. DREW: It is, indeed. Clause 1 of the Schedule reads as follows:—

Holders of all existing securities to be invited to convert their holdings into new stock—conversion to apply to all securities the holders of which do not dissent as prescribed by Commonwealth law.

Why should large holders of State stock be required to inquire as to what is Commonwealth law in this respect? Why not insert the provisions in this Bill? I have often tried without avail to get a copy of Commonwealth law. Only a few months ago I tried to get a copy of the Commonwealth Land and Income Tax Act, but failed.

Hon. J. Nicholson: Could you not get it from the Federal Government printer?

Hon. J. M. DREW: Where is he? In Melbourne. I wanted the Act straight away, to decide an important point. These provisions should be inserted in this Bill. Bondholders here who may be desirous of converting will want to know exactly the terms of our Act, and particularly will they want to know the time within which they may either consent or refuse to consent. There is no information provided in this measure; instead they are referred to Commonwealth law—which, by the way, is not yet law, for the measure is only a Bill. The same remark applies to Clause 2 of the Agreement, which reads as follows:—

The Commonwealth is authorised to arrange and effect a conversion on the basis of a twenty-two and a half per centum reduction of interest of all public debts.

That Act is not law, and we are seriously considering the passing of this Bill before we know how that measure will be amended before it reaches the final stage.

Hon. J. Nicholson: According to the paper, it was passed yesterday.

Hon. J. M. DREW: I do not think so; not finally. It may be said that some of the proposed amendments have been framed only recently, and that there has not been sufficient time to enable the State Government to get a copy by post. But the amendments could have been telegraphed, and inserted in the measure.

Hon. Sir Edward Wittenoom: The Federal Bill has been passed.

Hon. J. M. DREW: I do not think it has left the Senate. If it were an Act it would be quite a different matter, for it would then be on the statute-book, but at present it is simply a Bill. And whether

or not it is an Act, I feel that in so important a measure as this the particular sections referred to should be quoted.

Hon. G. W. Miles: Perhaps the Government propose holding this up until they get a copy.

Hon. J. M. DREW: I do not think members should be satisfied with being referred to the Act, instead of being given the specific sections. I do not think we should take these clauses, or paragraphs really, on trust; we should know exactly what is going into this Bill.

Hon. Sir Edward Wittenoom: Why was it passed by the Assembly?

Hon. J. M. DREW: That is their business, not mine. As I said in my opening remarks, I do not propose to oppose the second reading. I will support it. But I do hope that, before the Bill passes the Committee stage, the Government, instead of merely referring us to Commonwealth law, will say in this Bill what the law is.

On motion by Hon. H. Seddon, debate adjourned.

MOTION—BUDGET ECONOMIES.

Debate resumed from the previous day on the following motion by Hon. Sir Edward Wittenoom:—

That in the opinion of this House steps should be taken to suggest to the Treasurer economies that may be made to assist in balancing the Budget for 1931-32.

HON. H. J. YELLAND (East) [4.56]: I propose to address the House at fairly considerable length on this matter, for the simple reason that it had been my intention to move a motion in the opposite direction to this one, inasmuch as I was going to suggest some opposition to the action already taken by the Government in making economies without considering the educational needs of the State. However, I propose to take this opportunity to make my observations, instead of moving a further motion under which we could express our regret at the action already taken by the Government on certain lines. I, like other members, wish to applaud Sir Edward Wittenoom for his attitude in desiring to assist the Government in the solving of the intricate problem confronting them at the present time. Economies are essential, and the only instance in which exception has been taken to Sir Ed-

ward's suggestions is in regard to economies in the Education Department. I do not wish to confine my criticism to economies in education, but I admit that this is my chief objection to Sir Edward's suggestions, as it has been the chief objection of other speakers. In the main I agree with Sir Edward, who has suggested quite a number of ways in which we could economise. In addition to his proposed economies in the Education Department he advocates the charging of fees at the University, the abolition of the Arbitration Court and of compulsory voting, a reduction in the cost of "Hansard," the overhauling of the Railway Department by a Royal Commission, the abolition of the Agent-Generalship, and the sale of the State trading concerns. I shall be glad to hear what the hon. member has to say when he replies in furtherance of his claim. Curiously enough he dealt with the Education Department first and his criticism of the University next. It is my intention to deal with those two departments last. The hon. member suggested that we should abolish the Arbitration Court entirely. I do not know that we should derive any special advantage from so drastic a step, but we might benefit from the temporary suspension of its operations. There would be many difficulties in the way of completely abolishing it, though I think something in the nature that I have suggested could be done. I might give an instance of the success of some industries that are not controlled by arbitration awards, industries that are better able to get along in a crisis like the one through which we are passing than are those which are controlled by awards. Take primary production which does not come under the control of the court, and in connection with which I know of cases whether it has been possible to make arrangements between employers and employees with satisfactory results. The parties are able to come together and meet on a basis with mutually beneficial results.

Hon. Sir Edward Wittenoom: But they always quarrel when they come together.

Hon. H. J. YELLAND: The hon. member is wrong. I can quote what happened on a farm I visited recently, and on which property three men were employed. It was suggested by a bank that had a good deal of interest in the holding, that economies should be effected. The employer told the men that one of them, in accordance with the instruc-

tions of the bank, would have to be dismissed. What happened? The men approached the employer and said the three would be prepared to accept the wages of two if the services of all could be retained. The employer had no wish that one of them should go "on the wallaby," and so he agreed to the arrangement. If there had been an award controlling those employees, such an arrangement would not have been possible. If something similar could be done in other industries in times of stress the result would be in the best interests of the State. I contend, therefore, that it would be an advantage if the Arbitration Court were to cease functioning for a time. Unemployment means that those who are the victims of it must receive assistance from the Government. Conversely employment means the abolition of the dole. More than that it means increasing the spending power of the people, and in that way also creating more work, and so we go on ad infinitum until things improve. In addition to the cessation of the operation of the Act, the salaries that are paid at the present time would be saved to the State. Sir Edward also touched upon the subject of compulsory voting. On that I was not able to follow him as closely as I would have liked, and I will leave him to make further elaboration on the question when he replies. If the hon. member is going to make it obligatory on the part of a person who desires to obtain the right to vote to have to pay a tax of 10s., then he will surely take away from many people the right to be represented in the Legislature of the State. I would not stand for that. Every individual, no matter what his status in life may be, is entitled to the right to have a say in the election of members of the Legislature.

Hon. E. H. Harris: With an age limit.

Hon. H. J. YELLAND: Of course. A man who has no stake in the country has the right to be represented. Provided he is over 21 years of age he can exercise the franchise for the Legislative Assembly. When he has some stake in the country, a stake that is the result of thrift, he can secure representation in the Legislative Council.

Hon. Sir Edward Wittenoom: Whether he pays any tax or not.

Hon. H. J. YELLAND: Whether he does or does not pay any tax, he is entitled to some representation in the State Legisla-

ture. Next the hon. member referred to the cost of "Hansard." That has been exhaustively dealt with by previous speakers. I agree that a saving could be effected with regard to the distribution of elaborately-bound volumes at the close of the session, volumes that are presented to the members of the two Houses, 80 in all.

Hon. J. Nicholson: What about Mr. Mann's suggestion, a time limit to speeches?

Hon. H. J. YELLAND: That I cannot agree with, because it would not allow some members effectively to deal with subjects of importance. Some members should not be penalised because of the verbosity of others. When a member has facts to submit to the House, he should have adequate time in which to present them, and it is the duty of other members to listen to those facts and weigh them and come to a decision accordingly. That is what we are here for. Of course I do not hold with anything in the nature of an abuse of our privileges such as stone-wallling, but because some members may offend in that direction it is no reason why others should have to suffer. I support the proposal that a reduction in costs should be brought about by a reduction in the distribution of expensively bound volumes at the end of the session which we could do without. The hon. member has given us so much to talk about that I shall be compelled to trespass somewhat on the patience of the House. He suggested an overhaul of the Railway Department by a Royal Commission. I do not think it is a Royal Commission that is needed; what is required is more sound common sense in administration. Neither the Railway Department nor any other business can be conducted satisfactorily when there is dissatisfaction amongst the employees. That should be recognised fully. Only the other day I was travelling in a train to Merredin and it was running an hour and a half late. At one of the sidings the guard approached me and asked whether I would give him a hand to lift a heavy package that he himself could not move. Usually it is the custom to provide an assistant for the guard so that there shall be two men instead of one lifting heavy weights during the progress of loading and unloading at sidings. It happened that the heavy crate I was asked to assist to lift contained perishable goods, and it was really as much as two of us could do to

raise it from the ground. Here is false economy. The train was running an hour and a half late and it became necessary to pay overtime to the engine-driver, the stoker and the guard. That amount of overtime could well have accounted for the wages of the extra man to assist the guard.

Hon. V. Hamersley: Why was the train late, and why should there be overtime?

Hon. H. J. YELLAND: Because only one man was employed to do the work of two. There are set time-tables and if a train is late at one siding, it means that it will continue to be late throughout the journey. A simple calculation will show that the amount paid in overtime when a train runs late for the reason that I have given, will be equal to, if not more than the amount that would have to be paid for wages to an assistant. When a train runs late, it involves extra fueling and other expenses, and so it would have been more economical to have provided an assistant for the guard. One could instance a number of cases to show that the Railway Department could effect economies, not so much by saving L.S.D., but by giving better service for the money spent. It is easy enough to reckon what the overtime would run into, remembering that the payment is time and a quarter or time and a half.

Hon. G. W. Miles: Could we not get 20 per cent. off the price of coal? That would help us.

Hon. H. J. YELLAND: The Royal Commission that was appointed and for which the hon. member was responsible will probably find that out for us. Sir Edward Wittenoom also suggested the abolition of the office of Agent General, while in another place we have heard it mentioned that the State could well do without the appointment of another Governor. I am not prepared to support either of these proposals.

Hon. Sir Edward Wittenoom: Tasmania has abolished the office of the Agent General.

Hon. H. J. YELLAND: I do not care what Tasmania has done. If that State has nothing to advertise in England, Western Australia has, and it is the duty of our representative there to watch our interests. The appointment of a Governor by the King is a matter that cannot be calculated in terms of L.S.D. The hon. member also raised the question of selling the State trading concerns. I shall not deal with that subject because it has already been discussed

fully and members are aware of my views. The hon. member, however, did not touch on the question of effecting economies by reducing members' salaries. When I first entered this House seven years ago, the Parliamentary allowance was £400 per annum. Before I had been here very long it was raised to £600. I think it would be economically justifiable if we returned to the conditions that obtained in earlier times, and took that course almost forthwith. I am not with those hon. members who contend there should be a reduction in the number of members of Parliament. I find that the province I represent is perhaps a little more than I am able adequately to represent, in the sense that I cannot give that attention I should like to all parts. I recognise that I represent one of the largest provinces in the State, and I find it difficult to visit every part of it. Apart from that phase, it was King Solomon who said: "In the multitude of counsel, there is wisdom." Certainly I believe we can get wisdom from the number of members we have to-day to a greater degree than we could expect if there were fewer members. Now I come to what I regard as the more important section of Sir Edward Wittenoom's remarks. I consider he practically let us down in respect to our education system. I quite agree with him in his suggestion that the free University should be abolished.

Hon. Sir Edward Wittenoom: I did not say that!

Hon. H. J. YELLAND: The hon. member said that fees should be charged.

Hon. Sir Edward Wittenoom: I did not say anything of the kind! If you will permit me to explain, Mr. Deputy President, I said that the State seemed to be hard up for funds. I pointed out that if we did not have the money necessary to provide for starving farmers and others, why not charge fees? That was all I said.

The DEPUTY PRESIDENT: Order! Before Mr. Yelland resumes his speech, I would like to inform him that for the last half-hour I have been waiting for the hon. member to show some outward indication that he has read Standing Order 378. So far, he has not given any such indication.

Hon. H. J. YELLAND: What Standing Order is that, Mr. Deputy President?

The DEPUTY PRESIDENT: Standing Order 378 reads—

Every member desiring to speak shall rise uncovered, and address himself to the Presi-

dent, and may if he thinks fit, advance thence to the Clerk's table to continue his address.

So far the hon. member has been addressing his remarks to another hon. member, not to the Chair. The hon. member may proceed.

Hon. H. J. YELLAND: I bow to your ruling, Mr. Deputy President, and apologise for my grave omission. I accept the explanation tendered by Sir Edward Wittenoom. I am prepared to go a little further than he did, and say that it is time fees were charged at the University of Western Australia. I find, however, that the amount likely to be received from fees so charged will be in the neighbourhood of £2,000 or £3,000. I am doubtful whether the advantage likely to accrue from having that extra amount available, would compensate for the disadvantages that might be apparent in other directions. I do not know whether it would compensate for the loss of the present advantage of enabling the mass of our people to receive the benefit of University education free. The question arises as to whether we are to have a democratic system of education, or return to those days when only the rich could educate their children? That seems to be the basis of the objection to Sir Edward Wittenoom's criticism of our education system as we know it to-day. Sir Edward favours a return to the conditions that obtained in those earlier days. When Mr. Drew was speaking to the motion, Sir Edward, by interjection, gave the impression that he viewed with alarm the cost of the Education Department. He did not doubt the good work that was being done, but he urged a sacrifice in order to balance the Budget. In other words, Sir Edward Wittenoom is prepared to sacrifice the innocent children of the poorer citizens to secure reduced taxation.

Hon. Sir Edward Wittenoom: If you have not the money, how can you do anything?

Hon. H. J. YELLAND: The duty of the State is to give assistance to citizens out of employment, to provide medical attention to the indigent sick, and to attend to the education of the masses. If we are to do all that, it is absolutely essential that we should make some provision by which at least portion of our education system—the greater portion of it, if not the whole of it, should be on a free basis. I wish to quote from a book entitled "Secondary Education for All,"

written by R. H. Tawuey, an English author.

Hon. Sir Edward Wittenoom: How much money did he have at his disposal?

Hon. H. J. YELLAND: I will deal with the financial phase presently; for the moment I am dealing with principles. This authority says—

We must give meaning to our primary education by making plain to what it leads, and substance to our secondary education by supplying it, not with a trickle of "bright" children, but with the great mass of the nation's youth to help forward in their growth to manhood. We must, in short, work for a new connection of primary—no longer "elementary"—with secondary education; a new educational synthesis planned to embrace the whole period of growth from five to sixteen.

Then he went on to say—

What we propose, then, is that the nation should take as the objective of its educational effort the creation of a system of universal secondary education extending from the age of eleven to that of sixteen.

The suggestion there is that the principle underlying our education must be: Primary tuition, from five years to 11 years; secondary education, from 11 years to 16 years. The greatest asset of the State is the intellect of the child, and failure to develop that is false economy. The suggestion made that we shall reduce the cost of our education system is, to my mind, merely false economy, and will not get us very far.

Hon. Sir Edward Wittenoom: Will you tell us where we can get the money?

Hon. H. J. YELLAND: I have already told the hon. member that I am dealing with principles, and will deal with the financial phase later on.

Hon. Sir Edward Wittenoom: If you can find the necessary finance, you will be a wonderful man.

Hon. H. J. YELLAND: Dealing with the question of intellectual development, I have gone to some trouble to secure information respecting the development of the brain, and I can assure hon. members that inquiry along those lines is well worth while. The brain is a very complicated structure, and scientists assert that it matures at an age of about 16 years. That is the average, but with girls the maturity comes a little earlier than with boys. The average being about 16 years of age, the brain probably matures with girls at about 15 years. After that stage the brain is capable of sound reasoning

and culture on its own account. That is why our secondary education should be carried on by means of connected links till the child is 15 or 16 years of age. When speaking to the Address-in-reply a year or two ago, I advocated the extension of the school age to 15, and I still adhere to my view that that is the proper age.

Hon. Sir Edward Wittenoom: I could agree with you, if we could find the funds.

Hon. H. J. YELLAND: The child up to the age of 15 or 16, requires nursing with great care so that the brain may be adequately developed. Subsequent to that age the brain's so-called development is psychological, not biological. Mental activity is maintained by practice, memory, and experience, by which it adds to its store of knowledge and usefulness. The psychological process, then, is to lead it through the principal channels up to the age of 16 years. In other words, first of all the brain has to be led at that developmental stage, and thence the task is to direct the development of the brain in the channels of its own choice. That may be regarded as indicating the principles underlying the education system of to-day. It is certainly not true economy to refrain from developing the latent powers of the rising generation. The views of Sir Edward Wittenoom, if given effect, would prevent that psychological development. During the course of Sir Edward's speech Mr. Williams interjected to the effect that the idea of a free university was that the poorer people of the community could receive a fuller education, whereas if fees were charged, they would be denied that advantage. In reply to that, Sir Edward said that at our elementary schools, any child could get quite as good an education as either Mr. Williams or he had received, and what they had received was sufficient to place them in the positions they occupied to-day. I recognise that Sir Edward Wittenoom has had a very successful career, but if he had had the benefit of a higher education, what might we not have expected from him? He might have been a much better member of the community than he has proved himself to be, and that applies to each one of us. If we prepare to erect a one-storey building, we are not so concerned about the foundation. Mr. Franklin will appreciate the comparison I draw. On the other hand, if we propose to erect a skyscraper, we will have to pay extremely close

attention to the foundations. Therefore, if it is our ideal to give every child an equal right to rise to the highest position in the State under our generous education system, it becomes our duty to see that the best foundation is laid upon which to build our structure. I agree with Sir Edward Wittenoom's suggestion regarding the retention of elementary schools for back-block teaching, technical schools, and the provision for the training of necessary teachers, as well as the schools of agriculture. Sir Edward's suggestions are quite sound, but why should he suggest closing secondary schools against those who cannot afford to pay for the necessary education there? If he desires to close those schools and retain the schools of agriculture, the obvious retort is that schools of agriculture are secondary schools. Elementary schools are essential, not only for the back-blocks but for city children. I presume Sir Edward does not intend to exclude the city children and deny them the advantages of elementary education. I presume, therefore, that Sir Edward meant that they should be retained throughout. That hon. member did not indicate how he proposed to secure the technical teachers necessary to carry on technical education. Where will he get teachers who will be qualified to carry on the training of the technical students, if he does away with the opportunities of University training for those teachers? Secondary schools are essential to feed the University. It may be interesting to mention the steps in our education system. First there is the primary, including children from infants to the age of about 11; the post-primary, including children from 11 to 14, the secondary, including children from 14 to about 16; and then the University. According to Sir Edward Wittenoom, the two former are all that are necessary. The question is, will the closing of the secondary schools be of any economic value to the State? I have tried to show that the education system has the effect of raising the standard of the whole community and that, if we closed our secondary schools, we should reduce the standard. That in itself would be against all the ideals of progression. If we closed the secondary schools we should reduce the University enrolment and accentuate the economic situation. Unemployment would be increased. Last year it was my privilege to attend the Perth Boys' School on the opening day, and I

found that there were 60 or 80 boys who had returned to school and who were not expected, because it was considered they had finished there. The boys could not find work and were at a dead-end; their parents did not want them to be roaming the streets, and concluded that the best thing to do was to send them back to school for another year. Is not that *prima facie* evidence that the closing of any one of the post-primary or secondary schools would throw on to the labour market boys who would be far better off for another year of education? Sir Edward's suggestion to close these schools would have the effect of sending out boys and girls ill-equipped for life, and the country cannot stand for that. Reduction in equipment means also reduction in usefulness to the State. To-day is a day of advancement, and I ask whether we should countenance the hon. member's proposal to take a retrograde step in the education of our children? It is possible to adopt a mark-time policy, but retrogression I would not consider as an economy. I intend to make an assertion with which probably quite a number of members will not agree. We cannot have good primary education unless we have a University which will give us continuity. We must have a University to produce teachers. The wide outlook of the University-trained teacher is transmitted to the pupils, and a broader vision is cultivated amongst the general public. The improved environment whets the appetite for greater knowledge, greater conquests are made, and so ad infinitum. The progress of the State is largely influenced by the knowledge that emanates from the University and is disseminated by the teachers throughout the country. A community that comes under the influence of such highly intellectual people is a much greater asset than one that has not received those privileges. The late Archbishop Riley once made a statement which I have previously mentioned in this House and which is of sufficient importance to repeat. He said, "The man who gets on in this world is the man who is jack of all trades, but is master of one." He meant a man with a special trade to which he could turn his hand, and if work was not available in that trade, he could fall back on one of the others. The educated man can fill any gap; the uneducated man has to go where he is put. The uneducated man takes what is given him; the educated man takes what suits him best. He can take anything that

is going, while his fellow-citizen can accept only menial tasks. It is therefore false economy to curtail those advantages to the masses. Here is an instance that bears out the thought I have tried to convey. A farm labourer came to the city and, entering an office, asked for work. He was given a number of arithmetical problems to work out. Having received a secondary education, he was able to work them out without any trouble. The head of the office said to him, "You may start work at once. I have had 40 applicants for the position, and not one of them could work out those problems." That shows that whatever a man's work or environment may have been, his early education stands to him to the end. I would far rather give one of my children £1,000 worth of education than £5,000 in cash. The education would fit the child for life's battles, whereas the £5,000 would probably be frittered away, possibly in a manner not in the best interests of the child. Any fool can rob a man of his money, but not of his knowledge. I think I might say that even God could not deprive a man of his education, unless He took away his intellect in which is stored his knowledge. Some members appear to be under the impression that the free University is the result of unwillingness on the part of the University authorities to charge fees. That is not so. If members turn to "Hansard" of 1921, page 2597, they will find that the Leader of the Opposition, Mr. Collier, moved the following motion—

That Statute No. 19 of the University of Western Australia establishing fees and bursaries for attendance of students at the lectures and classes of the University and laid upon the Table of the House on Thursday, 24th November, in accordance with the provisions of Section 33 of the University of Western Australia Act, 1911, ought to be annulled.

The motion was passed by the Legislative Assembly. Professor Shann had moved in the senate that fees should be charged, and the senate put forward the statute, which was agreed to by convocation. This shows that the University authorities were quite agreeable to charge fees, but Parliament would not permit it. Having dealt with principles, I propose to show how a considerable saving in the Education Department could be effected, and the fallacy of some of the suggested economies. The Government propose to close the Training Col-

lege for three years. Even Sir Edward Wittenoom agrees that teachers should be trained. The college is to be closed at the end of this year. The principal has already been declared an excess officer and has to vacate his office at the end of the year. The college premises are to be used to accommodate overflow classes from other schools. On the face of it, that would appear to be a laudable arrangement. According to the department, however, we have only three years' supply of teachers, and if the college be closed for three years, at the expiration of that period the whole of those teachers will have been absorbed. Then it will be necessary to re-open the college and start to train more teachers, and while they are being trained, there will be a shortage that the Government will be unable to supply. Consequently the department is likely to be in a quandary to make available the requisite teachers. That is not an economy. It is breaking the continuity of the work of teaching.

The DEPUTY PRESIDENT: The motion refers to suggested economies, not to economies already made.

Hon. H. J. YELLAND: If you rule that I must desist from following the line of thought I desire to take, I will make it the subject of a special motion later, when it will probably take more time.

The DEPUTY PRESIDENT: So long as the hon. member keeps to the point that the economies already made do not justify the economies Sir Edward Wittenoom has suggested, he will be in order.

Hon. H. J. YELLAND: That is the position. The economies that have been made are such as are not justifiable at the present time. With the infants who are growing up to school age, the demand for teachers must increase, and in years to come we shall be faced with the difficulty of having numerous children and insufficient teachers to instruct them.

Hon. G. W. Miles: Do not the young teachers get too high a salary for a start?

Hon. H. J. YELLAND: I intend to deal with that matter. We have also to recognise that times are likely to change, that the marriage market will improve and that there will be a great number of vacancies that at present are probably considered to be not even in the offing. To my mind that is false economy. Is the retrenchment of the Principal of the Training College justified?

His retirement is one of the suggested economies. It is one that the authorities have attempted to make, but which I think will be detrimental to the future of the rising generation. The principal is an expert, and has been placed at the head of this institution which trains the teaching staff of the department. His loss will be a severe blow to the education system. Where are we to get a man who will train the teachers along the necessary lines, that is, train them from the University to take the responsibility of, in turn, training the intellects of the rising generation? Our teachers are trained in three directions, but Sir Edward Wittenoom would suggest that only one of these is necessary. Every teacher should be trained in academic, professional and technical knowledge. The academic training is done through the University. The professional training includes a study of psychology, etc., while the technical deals with the practical skill of the teacher. Sir Edward Wittenoom would have us believe that only a training in practical skill is necessary. Anything that diminishes one of these three qualifications on the part of teachers would be detrimental to them. All three are of the utmost value to the teachers, and no economy of this sort should for a moment be considered. The retention of the head of the college is necessary for the future development of the education system. He is attached to the University as Professor of Education. In New South Wales the work is carried on in exactly the same way. In order to carry out economies the Government here have dismissed a lot of their supply teachers. To-day the Government complain that they have too many trained teachers on hand. I wish to refer to the questions I asked the Leader of the House to show that the teaching is not all done by trained teachers to-day, and that this is not economically sound. I asked how many monitors were teaching in Government schools to-day. I was informed that there were 182 monitors teaching in 160 schools. These untrained teachers are taking the place of trained teachers. The department complained they had not sufficient places for the trained teachers, and yet they have these monitors who are untrained doing work that should be done by trained teachers. I then asked in what type of schools the monitors were employed. I was informed that some were being employed in

secondary schools. How can the services of a monitor who has, perhaps, passed through a secondary school, be utilised for teaching in secondary schools, where the intelligence of the children is such that it very often baffles the trained teacher? In effect, they are teaching children of their own age and standard. That is not in the best interests of the children and is certainly not an economy. The salaries these monitors are drawing are, in the case of males, £84 for the first year and £110 for the second year, and in the case of females £72 and £96 respectively. They also have an allowance of £20 a year if living away from home. There are 98 per cent. of these receiving the maximum salary of £110 and £96 respectively; consequently we are paying an amount which would be quite sufficient in many cases to enable trained teachers to carry on at least on the half-time basis. I believe that trained teachers could be found who would be prepared to carry on for this money through the existing depression. I then asked another question.

The DEPUTY PRESIDENT: Is the hon. member quoting from questions answered by the Leader of the House yesterday?

Hon. H. J. YELLAND: Yes.

The DEPUTY PRESIDENT: Is not the hon. member getting pretty close to hitting below the belt? The Leader of the House has already spoken to this motion.

Hon. H. J. YELLAND: These are facts which, I think, should be placed before the House.

The DEPUTY PRESIDENT: I hope the hon. member will realise that the Leader of the House answered his questions in good faith.

Hon. H. J. YELLAND: I hope you, Sir, will realise that I am merely commenting upon them in good faith.

The DEPUTY PRESIDENT: Members will realise that the Minister is not able to reply to any comment made upon the answers to the questions, inasmuch as he has already spoken to the motion.

Hon. H. J. YELLAND: I have no desire to deal with the answers in any antagonistic manner. I quite appreciate the force of the remarks of the Deputy President. The answers to the questions have elicited something that indicates false economy on the part of the Government. I think it is my duty to give this information to the House.

The DEPUTY PRESIDENT: It is only a matter of taste after all.

Hon. H. J. YELLAND: I am sure the Leader of the House does not regard this criticism as hostile in any way. I will content myself by saying that the employment of these monitors is not in the best interests of the children. There are trained teachers who could take their place. In England, Germany, France, and even Russia, despite the existing conditions in those countries, the expenditure on education has not been reduced. In England particularly, the education grant has been considerably increased. In 1913-14 the net expenditure was £14,368,794; in 1921-22, when repatriated soldiers were being given special education, the expenditure reached £47,833,395; whilst to-day the provisional estimate of the net expenditure is £48,362,377. From the period immediately preceding the war the expenditure, therefore, has been increased from £14,000,000 to £48,000,000. Evidently the authorities do not think the bad times are any reason why they should curtail the education grants, and if this means anything, it means that the grants for education form one of those expenses which means so much to the country that it would be unsound to curtail it.

Hon. G. W. Miles: Are you advocating that the teachers' salaries should be reduced 20 per cent.?

Hon. H. J. YELLAND: Of course, their salaries will have to come down just as will be the case with other people. I deprecate the general system of reducing the existing conditions in the Education Department, seeing that it is of such vital importance to the masses of the people that they should receive the best possible education.

Hon. J. M. Macfarlane: Without relation to the ability of the country to find the money with which to do it?

Hon. H. J. YELLAND: I have shown what other nations are doing despite the present circumstances.

Hon. G. W. Miles: Do you not think that England is expecting to find herself in a situation next year identical with that in which Australia finds herself?

Hon. H. J. YELLAND: We shall all have to face the situation. It is false economy to make any cuts in the cost of educating the masses.

Hon. G. W. Miles: Sir Edward Wittenoom did not want that; he was putting up suggestions for economies.

Hon. H. J. YELLAND: Perhaps he did not mean that, but the principle is there all the same.

Hon. G. W. Miles: It is flogging a dead horse.

Hon. H. J. YELLAND: In Russia the authorities are continuing with their work and pushing ahead with the education of the masses. If that country can appreciate the importance that attaches to this sort of thing, it is up to Australia to keep pace with it and other parts of the world.

Hon. Sir Edward Wittenoom: How are you to get the money?

Hon. H. J. YELLAND: One economy could be effected by transferring the training of our teachers from the Training College to the University. In the past the University has had a big say in the training of the teachers in conjunction with the college. In 1930 the Training College, when in full swing, cost £17,500.

Hon. W. J. Mann: Was that the whole of the expenditure?

Hon. H. J. YELLAND: It was the whole expenditure upon the college for the year. If we can effect an economy there of 97½ per cent., that should satisfy the most fastidious amongst the reductionists. To-day our cadets are being trained in engineering and agriculture through the University. The cadets in agriculture go to the Agricultural Department for their practical work, and to the University for their education. If this system were applied to the training of teachers, it would be unique in Australia, but it is not unique in other parts of the world.

Hon. W. J. Mann: Do you suggest that the Training College has been superfluous?

Hon. H. J. YELLAND: It has done excellent work. We can, however, do a great deal by curtailing the expenditure there. The Government have recognised the possibility of doing this by arranging to close the institution for three years. That will be a trial period during which no teachers will be trained. There still exists a number of teachers who have passed through the University, and taken their diploma of education and fitted themselves for their work. Doubtless those teachers will be utilised by the department. What I am advocating is that the teachers who will follow on should

be trained in practical work in the schools, and should derive their academic training from the University. I venture to say a great saving could be effected in that direction. At present we carry on the training of our teachers at huge cost.

Hon. W. J. Mann: Then, after all, there is some justification for Sir Edward's criticism.

Hon. H. J. YELLAND: The present cost of the Chair of Education to the University is £429—£400 for salaries, I understand, and £29 for incidentals. Of the professor's salary £166 has so far been paid by the University, and £334 by the Education Department. There appears to be a slight discrepancy, but £429 is the amount set aside for the Chair of Education at the University. The application of that amount to the professor, with 2½ per cent. on the amount of £17,500 paid by the Government, would still retain his services in the University to carry on the training of teachers under the same conditions as cadets have been trained in the past. I simply throw out that suggestion to the Government as a means of effecting a large saving. The Professor of Education is also the principal of the Training College, and the abolition of his office is the only retrenchment that has been made in the Education Department. I consider that we could retain his services and continue the training of teachers for 2½ per cent. on that big cost of £17,500 which the Training College involved.

Hon. W. J. Mann: Do you know what was the number of the staff at the college?

Hon. H. J. YELLAND: I have not that information by me. The teachers would receive the benefit of academic training from the professor, who would give his whole time to the work. The teachers would continue to get training at the schools as in the past. I fail to see the necessity for duplicating the work, as has been done at the Training College. Now I desire to quote from a letter I have received from the Professor of Education in New South Wales. I feel that his views are worth hearing—

The University is more likely to have a liberal outlook, and hence it would be, in my opinion, a good thing to transfer the direction of college training for teachers from the Under Secretary of the Education Department to the University. The University Senate would act through a special committee or delegacy for the training of teachers, as is the case in England. The New South Wales

Education Commission, which reported in 1905 prior to my appointment, had quite definitely in mind the separation of college control. The following references may interest you:—"There is precedent for the control of teachers' colleges by the University both in England and in the United States. In England the day training department is virtually a college for teachers forming an integral part of the University organisation. Where colleges are separate, they have each their own council or committee."

This indicates that the suggestion I have made is not new, but has been successfully carried out in other parts of the world. It has previously been made by a Royal Commission which inquired into the education question in New South Wales, and here we have a frank admission by the Professor of Education in that State. It differs a little from the suggestion made by the late Director of Education in New South Wales, who in passing through this State gave an interview to the Press. I have endeavoured to put the case for the Education Department as fully as I can, in order to show whether alleged economies are as valuable as has been represented, and also to show that there is room for economies along the lines of the suggestion I have offered.

On motion by Hon. E. H. Harris, debate adjourned.

House adjourned at 6.5 p.m.

Legislative Assembly.

Thursday, 16th July, 1931.

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The SPEAKER took the Chair at 4.30 p.m., and read prayers.

QUESTION—TAXATION, LAND VALUES.

Mr. J. H. SMITH asked the Premier: 1, Do the Government propose to introduce legislation this session to review valuations of land based on present prices of primary products? 2, Do the Government propose to reduce taxation at present applying to unimproved values of land?

The PREMIER replied: 1 and 2, The matter of land taxation is under consideration.

QUESTION—TIMBER ROYALTIES.

Mr. SAMPSON asked the Minister for Forests: 1, What royalties are chargeable by the State on timber for export? 2, In view of what is practically the paralysis of the timber export industry at present, would it not be an economically sound proposition either materially to reduce royalty charges or temporarily to cancel them?

The PREMIER (for the Minister for Forests) replied: 1, The royalty varies with such factors as the class of forest, accessibility, distance from port of shipment, etc. 2, A 20 per cent. reduction has been made, and steps are being taken to secure increased sales overseas by co-operative action by all sawmilling interests, including the Government. The position is being carefully watched, and no time will be lost in giving effect to any steps considered economically sound to secure partial or complete revival in the industry.

QUESTION—PREMIERS' CONFERENCE PLAN.

Assistance for Wheatgrowers and Unemployed.

Hon. W. D. JOHNSON asked the Premier: Page 163 of the proceedings and decisions of the Melbourne Conference records that the raising of £8,500,000 to relieve the necessities of the wheatgrowers and the unemployed of the Commonwealth was definitely made a part of the Conference Rehabilitation Plan. Is he (1), insisting on this portion of the plan being strictly and early observed? (2). To relieve the anxieties of the wheatgrowers and the unemployed, can he state what progress, if any, has been made?